

# Exhibit 5

CHRISTOPHER SABEC HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY 8/7/2018

Page 1

1 UNITED STATES DISTRICT COURT  
2 WESTERN DISTRICT OF TEXAS  
3 AUSTIN DIVISION  
4 UMG RECORDINGS, INC., et al., )  
5 Plaintiffs, )  
6 vs. )  
7 GRANDE COMMUNICATIONS NETWORKS ) Case No.  
8 LLC, ) 1:17-cv-00365-  
9 Defendant. ) LY  
\_\_\_\_\_ )

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13 HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY  
14 VIDEO DEPOSITION OF CHRISTOPHER SABEC,  
15 30(b)(6) REPRESENTATIVE FOR RIGHTSCORP, INC.  
16 Santa Monica, California  
17 Tuesday, August 7, 2018  
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22 REPORTED BY:  
23 JEAN KIM  
24 CSR NO. 13555, RPR  
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4 UMG RECORDINGS, INC., et al., )  
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9 Defendant. )  
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11 Video Deposition of CHRISTOPHER SABEC, 30(b)(6)  
12 REPRESENTATIVE FOR RIGHTSCORP, INC., taken on  
13 behalf of the Defendant, at 100 Wilshire Boulevard,  
14 Suite 1000, Santa Monica, California, commencing at  
15 9:10 a.m., on Tuesday, August 7, 2018, before  
16 Jean Kim, CSR No. 13555, RPR, a Certified Shorthand  
17 Reporter in and for the County of Los Angeles,  
18 State of California.

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1           **One:** Is Holly Schilz the person who knows  
2   the most about ISP processes and so forth, the kinds  
3   of things we've been talking about just now?

4           A     Yes.

5           **Q**     Two: You mentioned the call center and  
6   receiving those calls. Are those calls recorded?

7           **MR. O'BEIRNE:** Objection. Form.

8           **THE WITNESS:** No.

9   BY MR. BROPHY:

10          **Q**     So Rightscorp does not record phone calls  
11   in its call center?

12          **MR. O'BEIRNE:** Same.

13          **THE WITNESS:** No.

14   BY MR. BROPHY:

15          **Q**     Has that always been the case?

16          A     At one point, we had the ability to record  
17   set up. There were some abusive situations that  
18   were going on, and it was one of the ways to protect  
19   the call center. And they had a button that they  
20   could press if they ever felt threatened or  
21   uncomfortable, and they were instructed to inform  
22   the person they were now recording the call, they  
23   are now on a recorded line.

24                I believe at one point that was set up  
25   universally, and it was recording -- that all the

1 calls got set up that way. And so, then, we changed  
2 that because I don't want to have -- it was never  
3 our intention to have recorded calls. And there  
4 was, like, a significant data storage cost on that.

5 And there's been a couple instances where  
6 the other side has recorded calls on their own.  
7 Like, they've threateningly said, "Oh, we're  
8 recording the calls." So that's basically it. It  
9 was never a policy of the company to record calls.

10 **Q Is there -- during what time period was the**  
11 **company recording at least certain portions of its**  
12 **call center activity?**

13 A Probably when the -- for a short period of  
14 time sometime in 2015, maybe. The summer of 2015 or  
15 the summer of 2014. I could figure out exactly  
16 when. Because it happened to be the summer I spent  
17 two months down here with my family.

18 MR. BROPHY: Why don't we take a break.  
19 Thank you for your patience.

20 THE VIDEOGRAPHER: Going off the record at  
21 11:00 a.m.

22 (Recess.)

23 THE VIDEOGRAPHER: We're back on the record  
24 at 11:16. This is Media Number 3 in the deposition  
25 of Chris Sabec.

1 BY MR. BROPHY:

2 Q Even though it meets Rightscorp's  
3 definition for a repeat infringer?

4 MR. O'BEIRNE: Objection. Calls for a  
5 legal conclusion. Speculation.

6 THE WITNESS: Correct. But if you recall  
7 at the beginning, I said there's two different  
8 definitions here. Maybe we should have chosen  
9 internally to talk about repeat infringers with a  
10 different term. We could have called them  
11 tiddlywinks, you know. Or we could have had a name  
12 for it, but --

13 We use the same term, but it means  
14 different things. There's the legal obligation of a  
15 repeat infringer, and then there's just the people  
16 that repeatedly infringe.

17 And we're never trying to terminate  
18 anybody. We're only trying to get people to stop  
19 infringing and, you know, protect them from the  
20 liability that they're incurring by their  
21 infringement when we're facing the actual infringer.

22 BY MR. BROPHY:

23 Q I'd like to understand a little bit better  
24 how the dollar amount that was decided upon was  
25 decided upon.

1                   And I'm not talking about the \$30. What  
2                   I'm trying to get at is if your call center staff  
3                   receive a phone call from someone and they've been  
4                   accused of infringing 100 times. 100 times  
5                   30 -- times 20 or 30, it's a lot of money.

6                   How much of a discount would you give in  
7                   those circumstances? Would there be a discount?  
8                   What are the factors that you consider in  
9                   determining that discount, if there was one?

10                  I'm asking a lot of questions at once,  
11                  which is improper. So I'm going to stop that.

12                  Were there specific guidelines that  
13                  Rightscorp personnel used to determine pricing that  
14                  would ultimately be paid by someone who called in?

15                  A       Right. There was --

16                  MR. O'BEIRNE: Go ahead.

17                  THE WITNESS: There was an attempt to make  
18                  it consistent. Sometimes it was inconsistent  
19                  because you're dealing with different personalities  
20                  of people and you couldn't, you know, make them  
21                  always adhere to it.

22                  And I'd say there was two attempts to have  
23                  consistency. We had a -- a chart. I do recall  
24                  seeing it at one point. Again, I wasn't really  
25                  running the call center.

1           So we had a chart at one point that showed  
2   a way to offer discounts. But I think what ended up  
3   happening to that is we found that some people were  
4   more aggressive in the discount than others.

5           And I felt it was -- would be -- it was  
6   just bad form for one infringer to call and get  
7   Billy on the phone and have his discount be  
8   X percent and the next infringer call with the same  
9   number of infringements and get Sally on the phone  
10   and have a much more egregious -- or a much more  
11   forgiving settlement. I just didn't think that was  
12   right. We needed consistency.

13           And because one of our goals in coming up  
14   with this model was that it -- to feel like a bad  
15   speeding ticket. We wanted the worst it ever felt  
16   like was a bad speeding ticket. Not like a DUI  
17   speeding ticket but a -- you know, a 25 on the  
18   freeway speeding ticket.

19           And I believe we looked it up in California  
20   even. We found that the most expensive speeding  
21   ticket you can get that doesn't move into, like, a  
22   real infraction, like, a DUI type of thing, was  
23   \$990.

24           So when we moved to \$30 an infringement, we  
25   came up with a policy where we would enforce the



1 first 33 infringements and anything over 33 we  
2 wouldn't enforce. So 990 became the cap.

3 BY MR. BROPHY:

4 Q To stay within that --

5 A Correct.

6 Q Under \$1,000 --

7 A Yes.

8 Q -- amount.

9 A Stay under 1,000, and -- and we gave a  
10 little bit of leeway. We told them if it's, like,  
11 the same -- it had to be 33 different copyrights,  
12 like, for them to really enforce it. And they had a  
13 little bit of leeway.

14 Sometimes we'd have somebody come and  
15 say -- have somebody come and say to me, "It's  
16 really" -- "I know it looks like it's 30  
17 infringements, but it's really 15," for various  
18 reasons because it might have been the same song  
19 from a different album. And we would make a -- just  
20 a determination to forgive the doubles.

21 Q Were there discounts that were given or are  
22 given -- let me try that differently.

23 My understanding is that Rightscorp  
24 generates notices on a per-song basis; is that  
25 correct?

1           A     A per-copyright basis.

2           **Q     A per-copyright basis.**

3           A     That we represent.

4           **Q     Okay. And would Rightscorp treat an**  
5           **individual differently if -- let's say they're two**  
6           **individuals who call in. One of them received 50**  
7           **notices all for the same work. One of them received**  
8           **50 notices all for different works.**

9                     Would those two individuals be treated  
10           differently when it came time to make a payment to  
11           Rightscorp?

12                    **MR. O'BEIRNE: Objection. Vague. Calls**  
13           **for speculation. And hypothetical.**

14                    THE WITNESS: If they called in and talked  
15           to us about it, I think that would be a situation  
16           where they would be treated differently.

17           BY MR. BROPHY:

18           **Q     Which one would be given more of a discount**  
19           **between those two?**

20           A     50 of the same song. Assuming it was the  
21           exact same torrent and they just had it in their  
22           share folder and it kept sending it over and over  
23           and over and over again, there would be a little bit  
24           more education, a little explaining because it was  
25           one -- it was one copyright.

1           **Q     Can you give me a sense of the degree of**  
2           **discount between those two things?**

3           A     Can't.

4           MR. O'BEIRNE: Same objections.

5           THE WITNESS: Well, on the following  
6           policy -- following that last policy I described,  
7           the first one would probably be given the 990. And  
8           there might be a discount from there, or they might  
9           put it on a payment plan.

10           But I gave some leeway to the people to  
11           listen. We were compassionate. We wanted -- you  
12           know, if they told us a story of real hardship, we'd  
13           try to work with them. We had payment plans and  
14           things like that.

15           But the one that's one, they probably would  
16           have gotten a significant discount.

17           BY MR. BROPHY:

18           **Q     Just to make sure the record's clear, a**  
19           **moment ago you said the first one would be charged**  
20           **990. You meant the individual with the 50 separate?**

21           A     Correct. Correct. That would have been --

22           MR. O'BEIRNE: Hold on.

23           BY MR. BROPHY:

24           **Q     The 50 notices for separate works as**  
25           **opposed to the person who would get a more**

1     **significant discount, which is the person who**  
2     **received 50 notices on the same work; is that**  
3     **correct?**

4                 **MR. O'BEIRNE: Objection. Calls for a**  
5     **hypothetical. Vague. Misstates testimony.**

6                 **You may answer.**

7                 THE WITNESS: Correct. If we -- if the  
8     first person that came to us with 50 copyrights  
9     under the reformed policy that we put in place when  
10    we went to 30 that was capping everything at 990, we  
11    enforce the first 33 copyrights. We'd charge them  
12    for 33 and then forgive the rest. Because 50 times  
13    30 would have been \$1,500. So they would think they  
14    had a 50 -- or they would be told that they had  
15    \$1,500 in liability, but we would settle that for  
16    990.

17    BY MR. BROPHY:

18                **Q     And what amount would the person who**  
19     **received 50 notices on the same song likely pay?**

20                **MR. O'BEIRNE: Objection. Calls for**  
21     **speculation. Calls for a hypothetical. I think**  
22     **outside the scope at this point.**

23                **But go on.**

24                THE WITNESS: Right. I'm not sure. It  
25    would be on a case-by-case basis determined by the

1 person dealing with them, the call center person.

2 BY MR. BROPHY:

3 Q And do you have any documentation regarding  
4 the discount policies or guidelines for pricing or  
5 anything like that?

6 A No.

7 Q That's just something that was understood  
8 generally inside the call center?

9 A Correct.

10 Q Is that something that is still applied  
11 within the call center, some notion of a kind of  
12 general discount policy?

13 A We don't have a call center right now.

14 Q Okay.

15 A So it's all online.

16 Q I see.

17 When did that call center cease to exist?

18 A I'd say about a year ago. I'm not sure the  
19 exact date.

20 Q Is that because there just wasn't enough  
21 money in it to keep maintaining that call center?

22 A That was part of it. It was the new CEO  
23 wanted to move the company to Santa Barbara. We  
24 were in Los Angeles, and that's where the call  
25 center was. So in that process of closing down one

1 office space and moving up another, the staff didn't  
2 want to move. So we just -- yeah. So we just moved  
3 it online for the short term.

4 **Q Did call center personnel receive any form**  
5 **of commission for the settlements that they would**  
6 **make?**

7 A I don't believe it was a commission. It  
8 was more of a bonus. And that was handled by  
9 Robert. There was something consistent that they  
10 worked out, bonuses with their paychecks.

11 **Q Do you know how much of -- was it a**  
12 **percentage of the amount that was settled, or was it**  
13 **based on some other metric?**

14 **MR. O'BEIRNE: Objection. Outside the**  
15 **scope. Calls for speculation.**

16 THE WITNESS: I think there was -- there  
17 was various variables that were used by the  
18 supervisors of the call center staff, Robert,  
19 Vincent, and Holly at different times.

20 BY MR. BROPHY:

21 **Q Okay. If somebody today receives a notice**  
22 **and has a question about that notice, is there a way**  
23 **for them to reach out to Rightscorp to get any**  
24 **answers now that the call center's closed?**

25 A I'm not sure. They could e-mail and -- and

1 it would come in to the technology team.

2 Q Who is responsible for responding to those  
3 e-mails?

4 A At this point, I'm not sure because I'm not  
5 there anymore.

6 Q Is -- even though you're not aware of who  
7 that person is, are you aware that there's an e-mail  
8 inbox that receives those kinds of requests  
9 currently at Rightscorp?

10 A I know we have an e-mail inbox.

11 Q And it's the e-mail inbox that's identified  
12 to those who have questions about --

13 A On the notices.

14 Q You say you're not there anymore. Can you  
15 explain that to me.

16 A We talked about that. I'm not at  
17 Rightscorp anymore. I'm a consultant.

18 Q You're a consultant. Okay. And I should  
19 have asked about that, and I didn't.

20 What is your role now as a consultant for  
21 Rightscorp?

22 A I guess it's best described as as needed by  
23 the CEO.

24 Q And then obviously you're providing  
25 litigation consultation services as well?

1           A     All the -- we -- we produced all the  
2 documents that we had.

3           **Q     Does Rightscorp retain written records of**  
4 **the calls it receives from subscribers?**

5           A     No.

6           **Q     Has it ever retained or recorded written**  
7 **notes from calls?**

8           A     Yes.

9           MR. O'BEIRNE: Objection. Scope.

10          THE WITNESS: Yeah. I believe so. Yes.

11 BY MR. BROPHY:

12          **Q     Does Rightscorp still have those records?**

13          A     No.

14          **Q     During what time frame did Rightscorp**  
15 **collect those or record those written records?**

16          MR. O'BEIRNE: Objection. Scope.

17          THE WITNESS: I'm not sure.

18 BY MR. BROPHY:

19          **Q     Can you give me some rough approximation?**

20          A     Prior to 2017.

21          **Q     Can't be any more specific than that?**

22          A     No.

23          **Q     Did Rightscorp delete those records?**

24          A     No.

25          **Q     How is it that it came to be they no longer**



1       **exist?**

2                   **MR. O'BEIRNE: Objection. Mischaracterizes**  
3       **the testimony as to "no longer exist."**

4                   **THE WITNESS: Right. We didn't delete**  
5       **them. They just no longer exist.**

6       **BY MR. BROPHY:**

7           **Q       How did they disappear?**

8                   **MR. O'BEIRNE: Objection. Mischaracterizes**  
9       **testimony.**

10                  **THE WITNESS: They were in Salesforce.**

11       **BY MR. BROPHY:**

12           **Q       And explain how that answers that question.**  
13                   **Did you stop using Salesforce?**

14           **A       We stopped paying for the Salesforce**  
15       **access.**

16           **Q       And when you stopped paying for that**  
17       **access, the data that was in Salesforce was no**  
18       **longer accessible?**

19                  **MR. O'BEIRNE: Objection. Calls for**  
20       **speculation. Foundation. Outside the scope.**

21                  **THE WITNESS: Correct.**

22       **BY MR. BROPHY:**

23           **Q       Did Rightscorp take any steps to preserve**  
24       **the information that it had recorded in the**  
25       **Salesforce software or service?**

1 MR. O'BEIRNE: Same objection.

2 THE WITNESS: No.

3 BY MR. BROPHY:

4 Q So if there was an instance of someone  
5 calling in and saying that one of the notices was  
6 flawed or incorrect or false and it was recorded in  
7 Salesforce, that information is no longer available  
8 today?

9 MR. O'BEIRNE: Objection. Mischaracterizes  
10 the testimony. Foundation. Calls for speculation.

11 THE WITNESS: I believe so. Yes.

12 BY MR. BROPHY:

13 Q How, if at all, did the call center record  
14 how it offered settlements to subscribers or the  
15 number value of the settlements that it offered to  
16 subscribers?

17 MR. O'BEIRNE: Objection. Vague and  
18 compound.

19 THE WITNESS: I'm not sure. In the notes.  
20 But it was also the settlement that got paid that we  
21 would know the settlement got paid.

22 BY MR. BROPHY:

23 Q And when you say "in the notes," those are  
24 the written notes that no longer exist; is that  
25 correct?

1                   MR. O'BEIRNE: Objection. Mischaracterizes  
2   testimony.

3                   THE WITNESS: Correct.

4   BY MR. BROPHY:

5           Q     In your earlier deposition in the Cox case,  
6   you indicated that, from time to time, you would  
7   review what you characterized as a binder of  
8   e-mails.

9                   Do you recall giving that testimony?

10          A     I don't recall giving it, but if I -- if  
11   it's on the record, it's on the record.

12          Q     Do you have a binder of e-mails --

13          A     No.

14          Q     -- that you reference?

15          A     No.

16          Q     Do you recall ever having a binder of  
17   e-mails that you had referenced?

18          A     I didn't have it. It was in the office.

19          Q     Do you know if that binder of e-mails still  
20   exists?

21          A     No.

22          Q     What did that binder of e-mails relate to?

23                   MR. O'BEIRNE: Objection. Calls for  
24   speculation. Scope.

25                   THE WITNESS: I'm not sure. I need to know